

TERM SHEET FOR RENTAL DEVELOPMENT AGREEMENT BETWEEN:

ABILITY HOUSING, INC. (“Developer”)

and

CITY OF JACKSONVILLE (the “City”)

1. **The Project.** The development and construction of a 90-unit apartment community known as Village at Cedar Hills, located just north of the intersection at Harlow Blvd & 103rd Street, Jacksonville, Duval County, Florida 32210 (“the Project”).
2. **Grant Amount.** The City will provide a maximum grant of \$1,000,000.00 to the Developer that shall be used solely and exclusively for the construction of the Project.
3. **Terms of Grant.** As part of a Development Agreement, the Developers shall be awarded a grant for construction of the Project in the maximum amount of \$1,000,000.00, not to exceed actual qualified expenditures on the Project. The Development Agreement shall require the Project be utilized for affordable housing until the later of: (a) twenty (20) years after the issuance of a certificate of occupancy for the Project or (b) September 30, 2045.
4. **Collateral.** The Grant shall be secured by a Land Use Agreement.
5. **Affordable Housing Requirements.** The rental units of the Project shall be occupied by households whose annual incomes do not exceed eighty percent (80%) of the Area Median Income for Duval County, Florida, as determined by the U.S. Department of Housing and Urban Development, with adjustments for smaller and larger families and shall otherwise meet the requirements of the HOME Investment Partnership Program (U.S. Department of Housing and Urban Development (HUD)). All rental units that are to be constructed in connection with the Project shall remain affordable for a minimum term of twenty (20) years secure by a Land Use Restriction Agreement commencing on the date of Project completion or occupancy as documented by the certificate of occupancy and ending on the later of the twentieth (20TH) anniversary or September 30, 2045.
6. **Disbursements.** The funds shall be disbursed based upon draw requests approved by the senior lender, Florida Housing Finance Authority (the “Senior Lender”) or the Senior Lender’s loan servicer, and the City and shall be made on a reimbursement basis upon substantial completion of the Project.
7. **Duration of Funding.** The funding obligation of the City shall commence on the effective date of the Development Agreement between the City and Developer and shall end on September 30, 2025. The City’s obligation to fund disbursements to the Developer shall be limited to qualified expenses incurred on or before September 30, 2025. The City’s obligation to fund any and all disbursements to the Developer shall end 60 days thereafter.
8. **Performance Schedule.** All construction of the Project must be completed by September 30, 2025.